TRANSPORT FOR THE South East

Future of Transport Regulatory Review

Transport for the South East response

July 2020

1. Introduction

1.1 This document constitutes the draft officer response to the 'Future of Transport Regulatory Review: call for evidence on micromobility vehicles, flexible bus services and mobility as a service', published in March 2020. The call for evidence and views forms part of a wider Future of Transport Regulatory Review which was announced in March 2019 as part of the Future of mobility: urban strategy.

1.2 Transport for the South East (TfSE) is a Sub-national Transport Body (STB) which is being established in line with provisions of the Local Transport Act 2008 (as amended). As an STB, its principal role is to identify the strategic transport interventions required to facilitate economic growth in its area through the development of its Transport Strategy.

1.3 TfSE welcomes the Government's ambition to review regulations relating to the development of new modes of transport that can assist with the longer-term aim to decarbonise the transport sector and achieve net zero emission levels by 2050. The inclusion of traditional modes of transport in the review, focusing on new business models that could help to grow the usage of those modes, is also to be welcomed. TfSE concurs with the Government's view that there are potentially positive and negative implications of the wider implementation of the services currently being consulted on, and we welcome the wider consultation approach adopted to gauge this at the local level.

1.4 As a Sub-national Transport Body, TfSE recognises the strategic benefits of exploring solutions to the major transport challenges facing us in the 2020's and beyond. This must include the feasibility of utilising new technology to encourage the public to choose more sustainable travel options and make it as easy as possible for them to do so. STB's are in a unique position to drive this forward at the local level through their close partnership working with local transport authorities, LEP's, and other strategic stakeholders. We would therefore urge Government to make use of this unique partnership in order to drive change at the local level.

1.5 Our response covers each of the topic areas and has been developed in consultation with our constituent authorities. We should be clear that each constituent authority faces many unique local challenges, that they are best placed to make informed decisions on. In particular, mobility in urban and rural settings require fundamentally different approaches, and this should be acknowledged and catered for in the outcomes of this consultation.

2. Micromobility

2.1 TfSE recognises the potential for micromobility solutions, such as e-scooters, hoverboards and self-balancing vehicles, to provide an alternative transport mode in urban areas, as long as there is an appropriate level of regulation to manage their use. Micromobility (if regulated correctly) has the potential to enhance connectivity to

other sustainable modes and could therefore lead to a reduction in congestion, air pollution and carbon emissions, whilst making streets more attractive, and supporting the economic vitality of local shops and businesses. It is important to ensure governance of micromobility vehicles use helps to do the following three things: encourage modal shift away from car use, improve transport choice and accessibility (for as many people as possible), and create benefits for society, the economy and the environment.

2.2 There are clear benefits of micromobility vehicle use, including replacing short trips by private cars. For example, rental electric scooter schemes could help replace short distance car trips in urban areas if they are made available in convenient locations, such as schools, community centres, local shops, libraries and places of worship. Any mode shift away from the private car that is enabled would help enable the delivery of improved air quality.

2.3 Micromobility use has the potential to boost public transport use through the improved levels of connectivity it can deliver. It can play a significant role in supporting and enabling first mile/ last mile legs of journeys to and from bus and rail services. This is particularly the case within urban areas where there is by default more sustainable services and a higher density of population (making micromobility schemes more commercially viable). These emerging solutions have the potential (when used in combination with public transport) for replacing many journeys currently made by private car, or enabling trips to be made that are currently not undertaken at all. Micromobility travel modes could help to expand the catchment areas of existing bus corridors into residential areas that are not currently served by bus that people may feel is beyond a reasonable walking distance. Similarly, many business parks are in non-town centre locations that might feel too far a distance to walk from the nearest rail station. Micromobility solutions could offer sustainable means of accessing these sites, helping to reduce some trips by private car. Any mode shift away from the private car would help deliver improved air quality and potentially reduce the supply of parking at stations and in business parks.

2.4 Micromobility solutions also have the potential to overcome barriers that deter active travel. In urban areas with hilly topography, steep hills can deter pedal cycle use. With their short range, micromobility solutions can help overcome these topographical barriers.

2.5 Along with the potential benefits of micromobility use, there are associated risks that need to be considered prior to their widespread rollout. These include actual and perceived risk of accidents and potential road safety issues. Drivers, pedal cyclists and pedestrians in the UK are not used to micromobility vehicles and could make incorrect judgements about the speed and manoeuvrability of the vehicle or wrong assumptions about who has priority. E-scooters and self-balancing scooters are relatively quiet, so pedestrians may not hear their approach. People using micromobility vehicles may not be familiar with what the braking distances are in different conditions or may not use lights or high visibility clothing, increasing risk. Given that to ride e-scooters safely, the user needs to have both hands on the handlebars for balance, there needs to be some means to indicate to drivers, other road users and pedestrians that they are about to

make a turning manoeuvre. If micromobility solutions are perceived to be unsafe or get negative media coverage, then this could put off potential users who are worried about safety risks, thereby undermining more widespread adoption.

2.6 Another risk is the potential abstraction of some journeys currently made by bus. If micromobility travel costs are lower than the cost of travel by bus, or there is a preference for micromobility vehicles by some users, then there is a risk that bus patronage could be reduced. This could result in bus frequencies having to be reduced or higher bus fares to compensate for lower demand.

2.7 There is a risk that micromobility solutions could replace short trips that are currently made by walking and pedal cycles. Independent evidence from France suggests this is the case and that shared-scooter programmes are unlikely to replace car journeys. https://6-t.co/en/free-floating-escooters-france/ . As micromobility options require less physical activity than walking or cycling, their use could result in less health benefits, potentially making users more at risk of health conditions resulting from sedentary lifestyles and increasing costs to the NHS. If there is a high take up of non-active forms of micromobility, then this could make it harder to deliver segregated cycle infrastructure, if the physical activity monetised benefits of such schemes are reduced. It is also worth noting that there will also be new journeys made that weren't previously undertaken (due to the increase in connectivity provided by micromobility) that will require some form of physical activity to either access the vehicle, access the next mode of transport or the destination itself (or all three) as it will be very rare for micromobility vehicles to provide seamless access.

2.8 A concern for many local transport authorities is that there would likely be increased street clutter and vandalism as a result of the introduction of hireable e-scooter schemes. There is evidence that where dockless bike hire schemes have been introduced, users frequently chose to park them inconsiderately, causing obstructions and detracting from the quality of the public realm. This clutter makes public space harder to navigate for people walking, disabled people, children, older people and people with buggies. To mitigate this risk, local transport authorities must be given appropriate powers to deal effectively and decisively with public realm issues, including powers to implement designated parking areas, as well as enforcement powers when these are not adhered to.

2.9 In our view, micromobility vehicles should not be permitted on pavements or footways, as this will compromise pedestrian safety. The consultation asks for feedback on where different types of micromobility vehicle should be permitted, and TfSE would suggest that a regulatory structure based on vehicle features would be more appropriate and more easily communicable than one based on vehicle type. This approach could be formulated as follows:

- If the vehicle has no handlebars or seat, then it should not to be used on the public highway (including pavements and footways), but could be used on shared use paths or off-road segregated cycle lanes (This would exclude hoverboards and e-skateboards from the public highway).
- If the vehicle has handlebars only and no seat, then it should be allowed on on- and off road cycle lanes, shared use paths and roads with up to 30mph speed

limit (this would allow Segways and light e-scooters to be used on roads up to a 30mph speed limit in urban areas)

- If the vehicle has handlebars and a seat, then its use should be permitted anywhere where pedal cycles are permitted (This would allow "heavier" e-scooters with higher spec and build quality and electrically assisted cycle trailers and e-cargo bikes to be used in a wider range of settings).

2.10 TfSE would support further consideration of the potential use of micromobility vehicles by people with disabilities, as the use of specialist vehicles could be beneficial as a mobility aid. This could help to reduce social isolation and assist individuals to maintain independence. If a vehicle was designated as a mobility aid for those with disabilities, consideration should be given to allowing their use on pavements. This should be trialled and evaluated to determine the impact on other pavement users.

2.11 TfSE would suggest that micromobility vehicles should be treated in a similar manner to Electrically Assisted Pedal Cycles (EAPC). We would support requirements for a maximum speed of these vehicles to be restricted to 12.5mph with specified braking requirements, a requirement for lights and reflectors, minimum service standards and a maximum vehicle size.

2.12 TfSE would also draw attention to the issue of parking and charging infrastructure. There is a need for clear and consistent guidance from DfT for shared scheme operators, to ensure well-designed standardised parking for micro-mobility vehicles in places like town centres, universities and railway stations. This will help reduce the risk of excessive street clutter that could if left wholly to the market and unregulated/unchecked would detract from the quality of the streetscape and public realm and undermine efforts to provide a high-quality people-focussed environment in such locations.

2.13 Consideration should be given to requiring shared mobility operators to utilise standardised docking stations, with embedded smart technology, which could provide digital information to users on vehicle availability, electric charge available and range. This would also ensure that if one operator ceases to operate, then the infrastructure could be used by another operator, and would reduce the additional cost which could be required for the local authority to remove redundant docking stations.

2.14 In terms of requirements for users of micromobility, we would suggest learning is captured from the experience of pedal cycles, and TfSE would suggest the following as guidelines:

- Approval – mandatory spot and/or sample testing with regulation on minimum vehicle maintenance standards and frequency.
- Registration – users should complete training before being able to use the vehicles, or holders of other licence categories should be able to use the vehicles. Registering of vehicles to be encouraged on a voluntary basis.
- Taxation – should not be required.
- Insurance – encourage users to have personal liability insurance on voluntary basis.

- Helmet use – use of Pedal cycle" standard helmet should be left at users' discretion but highly recommended.
- Speed limiting – should have <15mph speed limit with a recommendation that 12.5mph is used (as per Berlin), by limiting the design speed of micromobility devices.
- Age limits – should have minimum age limit of 16 (as per mopeds and Barcelona scheme). We consider 14 (as per EAPCs) to be too young.

2.15 TfSE suggests that there will need to be a programme of monitoring of micromobility solutions to help determine their overall success. DfT should lead on this and provide funding for it. This will be needed to determine if the introduction of micromobility vehicles reduces car-based transport or if it extracts passengers from public transport and other active travel modes. Ideally, the monitoring programme should include a number of video surveys to monitor impact of users on other road users and pedestrians, and questionnaire surveys to understand the impact of micromobility users on other users (particularly pedestrians) and their perception of the impact on their safety. There should also be questionnaire surveys of users to fully understand the reasons behind their use of micromobility vehicles compared to other modes. The data gathered will be important in demonstrating the overall success of their introduction. TfSE suggests that the introduction of Future Mobility Zones (FMZ) would be the ideal mechanism for evaluating the impacts of micromobility use.

3. Flexible bus services

3.1 TfSE welcomes the consultation on flexible bus services, as the review of regulations governing these services have the potential to address many of the challenges facing our communities in rural and hard to reach areas. The lack of access to sustainable travel options has the undesirable effect of limiting access to employment, education, services and leisure activities for these communities, which in turn has a negative impact on local economies. However, we recognise that to date many of the commercial trials of flexible and on-demand services have been unsuccessful. One of the key challenges remains the commercial viability of these services, and the on-going requirement for revenue support.

3.2 The existing bus regulations were expected to provide significant improvements in public transport access. Due to the very low number of flexible bus services that have been implemented, it may be viewed that the regulations have not been successful. One of the key issues identified has been the regulations were careful to avoid conflict with taxi and private hire regulations. In doing so this has reduced opportunities for more spontaneous travel decisions by requiring pre-booking. Given the over-riding priority is likely to be to identify more sustainable travel solutions, rather than journeys based on modes, a more holistic review of regulations is welcomed to reduce barriers between taxi, private hire and local bus service solutions.

3.3 The changes which have been identified to ensure flexible bus services are better suited to meet the requirements of merging forms of demand responsive transport

includes issues pertaining to flexible bus services requiring operation with smaller vehicles. This immediately complicates the operator licensing arrangements. Opportunities exist for taxi and private hire operators to register local bus services using the provisions of Sections 11 and 12 of the Transport Act 1985, but are not commonly used. Arrangements need to be simplified, possibly by removing the requirement for taxi and private hire operators to apply for a restricted PSV licence. Harnessing the taxi and private hire sector would significantly increase the potential supplier base for flexible bus services and help to reduce costs. Local taxi and private hire authorities and local transport authorities should be encouraged to adopt closer working, or possibly be integrated, so as to achieve a consistent approach to increasing the supplier base for innovative transport solutions.

3.4 Flexible bus services by their nature are primarily focussed on areas of lower demand, so there will already be issues relating to the lack of commercial viability. Successful schemes will often require proportionally significant high 'up front' funding, and a sufficient volume of regular users for them to be financially viable in the longer term. This may be difficult to achieve in areas where public transport use will be diluted by the availability of alternative conventional public transport provision and, more significantly, wide access to convenient private modes of transport and parking. The current regulations requiring services to be pre-booked are onerous, as is the requirement for services to operate in a limited geographical area. We would suggest these regulations should be reviewed to remove some of the barriers to longer term viability.

3.5 To overcome some of the barriers identified, TfSE suggests that flexible bus service schemes need to be designed with an understanding of local needs, so as to harness opportunities for service take-up. Consideration needs to be given on how conventional public transport services in some areas can operate alongside flexible bus service options, so as not to dilute remaining use. Flexible bus service options might be an effective option in the short and medium term following the impact of Covid -19 on public transport use. Smaller public transport options may be easier to manage in terms of social distancing, and passengers' willingness to travel with a smaller number of people.

3.6 We would also identify the scale of future schemes are important and will determine financial viability, including ways of maximising vehicle utilisation ('Total' transport concepts), reducing supplier costs and cost-effective booking technology. Opportunities should be maximised to integrate with other forms of public transport and MaaS, including through-journeys and joint-ticketing.

3.7 TfSE would also particularly highlight the importance of future schemes integrating with rail services, as flexible bus services and demand responsive services can play a key role in getting people to and from other transport hubs in a sustainable way. This is an important consideration as we encourage modal shift from private vehicles towards mass transit, and helps to address the decarbonisation agenda, particularly in rural areas.

4. Mobility as a Service (MaaS)

4.1 Mobility as a Service (MaaS) has the potential to deliver a step change in the use of sustainable travel, thereby helping reduce dependence on the private car, particularly in combination with effective first mile / last mile transport provision. MaaS can also assist in improving access to services (health, education, employment etc) and existing mainstream transport services. MaaS schemes must be developed with the needs of the consumer at the core of the scheme, rather than purely commercial considerations, which will avoid cherry picking of journeys with the largest flows of people.

4.2 TfSE welcomes the opportunity to respond on the issue of the regulation of MaaS, as we consider this to be a key enabler in encouraging individuals to choose more sustainable travel options. As we have already indicated in our response on micromobility and flexible bus services, MaaS is an important part of the solution in making those transport options work and helps to place the user at the heart of the transport network. Crucially it places control in the hands of the passenger, and breaks down previous modal barriers, facilitating the shift from separate modal journeys to 'one journey'. However, to date, it can be seen that MaaS has not developed as quickly as it could have, due to a lack of central direction and complicated regulations.

4.3 We would like to see a clearer definition of roles and responsibilities in the development of MaaS. Government should provide guidance on the development of a MaaS platform(s), and work with key stakeholders, including the private sector and STB's, to ensure that solutions are optimised and meet the needs of the consumer. Government should work with stakeholders to ensure that the regulatory environment enables full integration and interoperability of MaaS. Local authorities (and other transport authorities) should play a vital supporting role in the development of MaaS, providing advice and guidance to ensure that the development and day to day operation of services is optimised for their local area. One of the key aspects of the Local Authorities and STBs role would be in determining the specification of the optimum network for their area.

4.4 TfSE is aware that there is a wide range of views across the transport industry on the roles and responsibilities for different stakeholders in making MaaS work in practice. We would identify the importance of taking into account local circumstances in the development of MaaS systems. The regulations should provide the flexibility for either the private or public sector to lead on the development of MaaS schemes depending on local circumstances. This will allow different business models to develop, which can be monitored over time to determine if further regulatory changes are required.

4.5 The consultation asks a number of questions regarding the standardisation and interoperability of data. The view from our constituent authorities is that standardisation and interoperability of data for timetabling appears to be sufficient for the presentation of this information across numerous platforms and in many formats, including app and web-based systems. Timetabling data does appear to be the most

consistently presented data type across many platforms with accuracy at a high level (including real time information). Journey information is also presented in a consistent manner, but it does appear that improvements could be made to the overall consistency of presentation (or presentation format) between platforms. Route information (bus routes) is rarely accessible and often difficult to find and the accuracy of the information presented can vary considerably. Ticketing information is the least well-presented across platforms and is rarely presented, and is often only presented in the service providers own platform. Ticketing information can be complex and confusing (app or website) with a large number of ticketing alternatives which has meant that this data has lagged behind timetabling and journey information. It is therefore important to improve the standardisation and interoperability of this data to allow consumers access to the most cost-effective ticket for their journey and regularity of journey (daily, weekly, monthly, single journey etc).

4.6 The standardisation and interoperability of data for MaaS services should be led and co-ordinated by government with local government, STB's, industry and other appropriate organisations playing a consultative role to ensure local and industry needs are appropriately considered. TfSE propose a similar format and approach to that used in the Bus Open Data programme.

4.7 It is our view that one of the biggest barriers to the rollout of integrated ticketing schemes is that the case has yet to be made about their potential benefits to commercial operators. There remains an issue of maintaining control of ticketing revenue for commercial operators who are anxious to maintain their existing business to customer arrangements, and competition between operators inhibits the willingness of operators to cooperate on integrated ticketing schemes. There does not appear to be any particular regulatory barrier at present, but some of the regulations around commercial bus operations that are intended to encourage competition and have the effect of discouraging transparency and discussion, do deter operators from participating fully and effectively in integrated ticketing schemes.

4.8 There are a number of competition concerns that MaaS may present that could be difficult to address through existing regulations. Mobility as a Service may cause inequality in the market where either a leading MaaS provider or group of providers favours a partnership with a specific transport provider(s) based on commercial considerations rather than seeking to offer the best solution or widest range of choice for the consumer. It is likely that unregulated competition will lead to many MaaS solutions either having a limited selection of providers or have a bias to one or more providers. On these occasions the consumer is unlikely to get the optimum combination of travel solutions based on their needs, and in turn there will be less use of sustainable modes (or something below the maximum use if the best possible MaaS solution was in place). Therefore, TfSE would favour solutions that would incorporate all service providers, allowing the consumer to choose the provider or providers they use for the journey based on their own criteria, whether that be cost, quality or a preference for a certain provider.

4.9 The issue of consumer protection to include liability for multi-modal journeys is supported by TfSE. There will be a greater need for consumer protection with multi-

modal (or even multi-stage single mode) journeys increasing dramatically with the roll out of MaaS, which may result in a far greater occurrence of missed connections and incomplete journeys. The consumer will need to be protected financially so that they are entitled to a partial refund for situations within the operator's direct control that reflects the delay to their journey and inconvenience caused, and what the MaaS provider will do to aid the user in completing the journey. Any refund process needs to be simple and straightforward (possibly even automatic) for the user and achieve reimbursement of the user within a reasonable timeframe, perhaps taking some of the principles used by the rail industry in their delay-repay process.

4.10 Mobility as a Service is likely to present a number of accessibility and inclusivity concerns that are unlikely to be addressed fully through existing regulations. By design, MaaS service consumers will have greater access to a range of transport provision, including micromobility vehicles (possibly being used in a significant proportion of journeys for first mile / last mile connections), which are not fully accessible to all and are inherently difficult to make more accessible. It is important to not only consider the regulation of the modes (vehicles) that are included in MaaS services (and their accessibility) but also the regulation of how the information is presented. For example, the mobility of the user needs to be considered when journey planning and other impairments (visual) need to be considered when presenting the information to ensure that MaaS services are accessible and inclusive for as large a percentage of the population as possible.

4.11 TfSE strongly believes that MaaS must be accessible to all demographic groups in the population. This should include helping to meet the travel needs of residents of deprived areas with relatively low levels of car ownership. If this is done effectively, we feel that it will not only deliver a step change in the use of sustainable modes but also a step change in accessibility to mainstream (mass transit) services. A key area of concern is the access to MaaS within localities and geographical areas where the commercial viability of shared transport services is naturally lower such as rural areas. MaaS can help to manage the provision, particularly of first mile / last mile mobility services across an area or network. The application of a cross subsidisation model (where the more profitable parts of the network subsidise the non-commercial parts) has a role to play if an optimum network for the consumer is to be realised. Based on lessons learnt from market-led experiments to dockless shared cycle hire schemes in the UK, it is evident that a fully commercial approach to first mile / last mile transport provision with little or no regulation is unlikely to deliver the most favourable solution for consumers.

4.12 In terms of the safe and appropriate use of data, the collection and interrogation of data is an important element of developing the efficiency of MaaS systems (optimising the location of vehicles being one aspect of this). TfSE would support the collection, analysis and use of non-personal data, or data that is anonymised about multi-modal journeys undertaken by MaaS. This will enable effective monitoring and evaluation of the varying nature of demand for multi-modal journeys and growth of take up of use over time, as well as facilitating scheme improvements and optimisation. We also feel that this data should be shared and made freely available to anyone in a similar manner to the bus open data scheme. TfSE recommends that there is a strong

emphasis on the protection of all personal data and that GDPR guidelines are strictly followed and any breaches appropriately penalised. It would need to be made clear to MaaS users on sign up to a platform how their personal data will be used and which other organisations this will be shared with.

4.13 TfSE would strongly support measures being implemented to incentivise and encourage more use of both sustainable and active travel in the development of MaaS schemes. We consider that shared cycle hire and micromobility schemes have numerous positive impacts including short active travel trips at either or both ends of journeys. Docking locations could be specifically located in convenient and popular locations so as to help encourage active travel for access, and sustainable travel for the onward leg of the journey. We would also support the development of reward schemes where rewards can be earned or gained by using active and / or sustainable travel modes in the MaaS journey. The rewards scheme could be designed with lower costs for journeys with active and sustainable legs to provide an effective incentive to encourage greater use of these modes.

4.14 Demand management could also be incorporated through MaaS platforms that actively encourage active travel and/or sustainable modes. This could involve sustainable forms of transport being the most competitively priced to maximise take up in comparison less sustainable modes. Similarly, consumers could be rewarded for travelling off peak and charged more for travelling on the most congested parts of the network.

4.15 TfSE would support the introduction of guidance or a Code of Practice for the Mobility as a service industry. This would be best placed alongside regulation that covers the more significant elements of MaaS such as safety and data protection. The Code of Practice could learn from international best practice and cover:

- Roles, responsibilities and expectations;
- Consumer rights and safety;
- Fair competition;
- Financial protection for consumers;
- Minimum system requirements; and
- Ticket revenue breakdown / share for multi-modal journeys

5. Conclusions

5.1 TfSE supports the need for a review of the regulations relating to future mobility to ensure that opportunities to embed new technology within our transport network are developed in a way that places the consumer at the heart of our system. This will ensure accessibility for all and help to grow our local and national economies whilst minimising the impact on the environment. Regulations must work for the consumer, helping them to make sustainable travel choices in the easiest ways possible, which will in turn assist with decarbonising transport, and help in the post Covid-19 recovery. TfSE would be keen to work closely with DfT to play its part in fostering the development of future mobility, by helping to embed the changes that result from the review into our transport system, and to offer advice and guidance across the South East area.

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